



International Sweetener Symposium

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What are Customers Saying?

- Some general comments from SUA members
 - Fewer problems with timely deliveries; “close to normal”
 - Rail issues better but not fixed
 - Demand perceived as weaker than expected



What are Customers Saying?

- Most not deliberately holding more stocks
 - Some think that might be happening among non-bulk users, but speculating
 - Previous buying may have reflected demand forecasts that haven't panned out
- TRQ increase, reallocation have been welcome



Among Reasons Why Demand Might be Soft ...

26%

Decline in average SNAP benefit, February–April 2023

42 million

SNAP participants, 2023

\$6

Approximate daily value of SNAP benefits per person

What Buyers Value in Their Suppliers

- Reliable, timely delivery of amounts purchased
- Quality product
- Customer service
- Range of competitive suppliers
- Users ...
 - Want their suppliers to be profitable & sustainable
 - Understand costs have gone up from farm to factory (so have users')
 - Would welcome expansion in domestic sugar production



Then There's Policy ...

- Policies that keep markets as tight as possible create real problems when other things go wrong – production, logistics, supply chains
- In recent years ...
 - Suspension agreement mechanisms encourage fewer stocks, not more
 - TRQ increases, reallocations, Additional US Needs sometimes come late
 - Unfortunately, high-tier imports seem to have been normalized



Are Markets Tight?

- In recent years, some companies had to turn down new business, slow production lines
- 4th year of high-tier >200,000 STRV
- High-tier imports ...
 - Not produced with US cane or beets
 - If refined, not refined in US
 - Subtract directly from Mexico, TRQ countries
 - Encourage more SCP imports not produced with US sugar
- USDA sugar team is professional, balanced – users appreciate their efforts
 - If high-tier imports are going to be the norm, USDA's options are fewer
 - Do growers want to be tied to world market when #11 is low (it will be someday)?



Some Modest Changes Would Help

- Users are *not* seeking ...
 - End of sugar program
 - Abolition of marketing allotments
 - End of TRQ system
- If there are policy obstacles to domestic expansion, we should end them
- USDA should have enough flexibility to move quickly when additional supplies are needed
- When additional refined imports are needed, they should not need further refining in US
- Multiple ways to make those & other changes – lots of ideas



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INTERNATIONAL SWEETENER COLLOQUIUM

JW Marriott Miami Turnberry Resort
Aventura, Florida

 SWEETENER USERS
ASSOCIATION

 **IDFA**
International
Dairy Foods Association

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